

ATTACHMENT #8

QUALITY
ASSURANCE
SURVEILLANCE
PLAN –
CONSTRUCTION
INSPECTION
SERVICES

QUALITY ASSURANCE PLAN CONSTRUCTION INSPECTION SERVICES

The GTR and GTM will evaluate the CI's performance on all projects to determine if the contract standards are met via the following:

1. Review of twice-monthly inspection reports (HUD-95379) generated and submitted to HUD by the CI in accordance with the attached checklist.
2. Review of forms and documents related to construction inspection tasks submitted by the CI as to proper completion per HUD handbooks and regulations.
3. Review of CI's performance in the field on a random basis by site visits to MF projects under construction or in warranty period. Site visits may be unannounced or may coincide with builder's monthly requisition for payment.
4. During a field/site review, or at the HUD office, the CI shall attend training sessions, as scheduled by the GTM during the term of this contract. Such training sessions will occur as the GTM deems necessary for the purpose of addressing programmatic and technical issues relevant to the project.

When HUD observes defective performance during quality assurance reviews, the GTR will request the contract manager to respond to the deficiency. The CI shall respond to the deficiencies in writing within seven (7) business days of receipt. If the CI agrees with the deficiencies and the GTR determines corrective action is required, the CI shall comply with the requirements of the specific task. If the deficiency is disputed, the contract manager shall attempt to resolve the issue with the GTR. If a disagreement remains, it must be elevated to the contracting officer for a decision. HUD reserves the right to take corrective actions under the terms and conditions of the contract relating to continually defective performance.

The local HUD office may conduct performance meetings on a monthly basis with the GTR, GTM, and contracting officer. The CI's contract manager shall attend these meetings. These meetings will normally be held by telephone, unless the GTR determines a need for a face-to-face meeting. If performance warrants, the GTR, GTM, and contracting officer may determine to have meetings more or less frequently.

CONSTRUCTION INSPECTION SERVICES CONTRACT
GTM DELIVERABLE REVIEW GUIDE

A Guide for the Review of Each Contract Deliverable Requirement (CDR)

Note: Each cover letter on deliverables must be date stamped upon receipt in the • office.

Requirement	Yes	No	N/A
CDR #6 - Construction Start Letter PWS #2.1 definition			
A Construction Start Letter was submitted from the Builder or Architect to the Contract Inspector (C.I.)			
Includes the Initial Start of Construction date and/or the Start of Permanent Construction date as appropriate.			
Construction Start Letters sent to HUD within 5 days of C.I.'s receipt.			
Cover Letter accompanied the Construction Start Letter.			
CDR #7 Trip Report PWS # 5.2.3.13			
Complete package received. Includes Cover Letter, HUD-95379, Photos, & Attachments, as appropriate.			
Received within 5 business days of project/site visit.			
The HUD-95379 meets all contract requirements for completeness. -- All applicable information and dates entered correctly.			
-- Scheduled and Actual Progress appear to be accurate (PWS # 5.2.3.16.3).			
-- Provided clear, comprehensive report on the 5 required evaluation areas. If this trip coincides with a Builder's Requisition, does the report Clearly indicate whether the proper draw meeting was conducted and that all parties were present/represented and had properly signed the Builder's Requisition prior to C.I.'s signing PWS # 5.4.2.2			
-- Report item 5 shall note the amount of the current approved draw Amount and the amount of any modifications during draw meeting.			
-- Final inspection report has all required entries per PWS # 5.2.3.28			
Photos properly presented and labeled (PWS # 5.2.3.13). Photos match narrative description of work being performed and adequately represent on-going construction progress described in Trip Report narrative, all construction deficiencies, and all non-compliant items.			
Employee Wage Interviews accomplished and attached PWS # 5.4.6. If not accomplished, a valid and complete explanation is provided as to why they did not occur and what actions were taken to ensure they would be accomplished in the future. <i>GTM: Please comment if no interview attached. If Builder does not assist in getting their employees to cooperate and participate, contact Labor and request they send a letter to the Builder.</i>			

Supervisory Architect's performance is fully documented and rated as satisfactory or unsatisfactory. <i>GTM: Please comment if Architect's performance appears unsatisfactory and ask CI to keep you apprised of this situation. If unsatisfactory performance continues, the GTM will contact the Lender and request the Architect's fee be withheld until the CI determines the Architect's performance to be satisfactory.</i>			
Supervisory Architect's field report(s) available since last visit are attached to the trip report PWS # 5.4.1. <i>GTM: Please comment if no field notes are attached. Receiving no field notes in a month is unacceptable.</i>			
Obtained copy(s) of Architect's Supplemental Instructions (AIA-G710) and submitted along with the trip report (PWS # 5.4.4), as they become available.			
Obtained copy(s) of any Change Orders (HUD-92437) and submitted along with the trip report PWS # 5.4.3, as soon as they are available. -- The C.I. discussed the proposed changes and expressed their opinion -- All previously proposed Change Orders are listed in paragraph 3 of the Trip Report, with a brief description of the change and the current status of the change (approved or open). <i>GTM: Please comment if Change Orders are not listed with their status stated. Rate unacceptable if this continues.</i>			
Critical Phase Inspections performed at the appropriate time and all issues addressed in paragraph 3 of the Trip Report PWS # 5.2.3.16.4. -- <i>For example; if the photos show a slab in place and no Critical Phase Inspections have been performed, then the CI has missed two such inspections; the building pad and pre-concrete placement. Therefore the Trip Report Cover Sheet would be rated unacceptable.</i>			
Obtained copy(s) of any Requests for Approval of Advance of Escrow Funds (HUD-92464) when signed by the C.I., then submitted along with the trip report PWS # 5.4.5.			
Obtained copy(s) of FHA-2485/HUD-92485, Permission to Occupy, when signed by the C.I., then submitted along with the trip report, as well as, the AIA-G703 and local occupancy certificates, as applicable PWS # 5.4.7. Permission to Occupy specifies building number(s) and number of units.			
Where special circumstances or serious construction problems are described in the trip report such as those in PWS # 5.2.4.3.16.3, did the CI discuss said problems telephonically with the GTM or CM immediately following their discovery? <i>GTM: Please comment if the answer to this is no.</i>			
CDR #8 -Builder's Requisition - HUD-92448 PWS # 5.4.5			
Requisition properly completed and signed by all parties prior to C.I. signing and dating the Inspector's Certification on reverse. PWS # 5.4.2.2			

Builder signed prevailing wage certification on reverse, when applicable.			
Inventory of materials itemized as to quantity and costs for payment of on-site/off-site stored materials is attached to HUD-92448. Payment for on-site stored materials is fully supported and conforms to HUD Handbook 4460.1 REV-2, paragraph 3-7 and 3-8, Handbook 4435.1 and the MAP Guide. PWS # 5.4.2			
CI addressed stored materials in trip report and included photos or the requisition was modified to remove items stored on-site.			
Payment for off-site stored materials is fully supported and conforms to HUD Handbook 4435.01 REV-1, paragraph 1-6.			
Retainage reduction from 10% to 5% when the project is at least 90% complete is fully supported and requested in writing by the Builder. <i>Note: CI must not sign a requisition where retainage is reduced below 5% without consultation with the GTM. Note: GTM obtain Labor approval.</i>			
Submitted to HUD within 5 days of C.I.'s site visit and signing.			
Cover Letter accompanied the Builder's Requisition submittal.			
C.I.'s site visit coincided with Pay Draw meeting. <i>GTM: Please comment on cover letter whether or not this occurred.</i>			
CDR #9- Construction Record PWS #5.4.8			
The C.I. submitted the final Construction Record.			
Contains the complete history of the project's construction.			
Construction Record was sent to HUD within 7 days of the completion of the last inspection or last warranty inspection.			
Cover Letter accompanied the Construction Record.			

Note for the GTM:

1. For any block where "No" is checked an explanation for the "No" rating must be noted on the rated Cover Sheet prior to it being returned to the Contract Inspector.
2. Always include comments on the Cover Sheet in the following situations:
 - a. Deliverable is received Late; to HUD after 7 business days.
 - b. The Architect's performance is unsatisfactory, requiring additional focus on the Architect's performance on the next trip report.
 - c. Architect Field Notes are not attached to each trip report.
 - d. Wage Interviews are not attached to each trip report.
 - a. Proposed Change Orders and their status are not listed in paragraph 3.
 - f. Any Critical Phase Inspections are missed.
 - g. Serious construction issues are not immediately and telephonically brought to the attention of the GTM or CM.
 - h. Site visit coincides with Draw meeting.

CONTRACT DELIVERABLE REQUIREMENTS (CDR) CHART Attachment J.8

CDR No.	CONTRACT DELIVERABLE REQUIREMENT	PWS #	FREQUENCY	WHEN	TO
1	Notification of Contract Manager	4.2	One time	w/in 7 business days of contract award and prior to assigning a new contract manager	CO Copy to GTR
2	Certificate of Minimum Qualifications	4.2.1	One time/employee	w/in 7 business days of contract award and before replacement of an inspector	CO Copy to GTR
3	Quality Control Plan	4.4.1, 6.1	One time and as updated	Post award conference and as needed	CO and GTR
4	Quality Assurance Observations	4.4	As required	w/in 7 business days of receipt	GTR
5	CDR cover letter format	J-4	One time	post award conference	GTR
6	Construction Start Letter(s)	2.1	One time	w/in 5 business days of receipt	GTM & HUD CM
7	HUD-95379 - HUD Representative's Trip Report, including Project Photographs and other pertinent documents and when applicable: - HUD 11 Employee Wage Interviews; - Supervisory Architect's Field Reports (AIA G711 or other format); - MA G710 Architect's Supplemental Instructions; or - Occupancy Approval	5.2.3.13, 5.4.1, 5.4.4, 5.4.6	Each project/site Visit	w/in 5 business days of project/site Visit	GTM & HUD CM
8	HUD-92448 — Builder's Requisition; or HUD-92464 Request for Approval of Advance of Escrow Funds	5.4.5	As required	w/in 5 business days of signing	GTM & HUD CM
9	Construction Record	5.4.8	One time	w/in 7 business days of the 12-month or last warranty inspection	GTM
10	Construction Change Order Documents	5.4.3	As Required	w/in 3 business days of receipt from Supervisory Architect	GTM & HUD CM